UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE X WATER SANDS LOCATION INSPECTED SUB. REPORT/abd.

DATE FILED 5-28-91

LAND: FEE & PATENTED STATE LEASE NO. ML-22052 PUBLIC LEASE NO. INDIAN

DRILLING APPROVED: 6-3-91 (CAUSE NO. 173-1)

SPUDDED IN:

COMPLETED: 12-3-92 LA PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: LA'D APD Expired eff 12-3-92

FIELD: NATURAL BUTTES

UNIT:

COUNTY: UINTAH

WELL NO. CHEVRON STATE 1-32 API NO. 43-047-32034

LOCATION 1000' FNL FT. FROM (N) (S) LINE, 1500' FWL FT. FROM (E) (W) LINE. NENW 1/4 — 1/4 SEC. 32

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				8S	21E	32	CHEVRON U.S.A. INC.

Chevron U.S.A. Inc.
6400 South Fiddler's Green Circle, Englewood, CO 80111, P. O. Box 599, Denver, CO 80201

May 24, 1991

Application to Drill

State of Utah
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-12303

Attention Mr. Frank Matthews

Dear Mr. Matthews:

Attached are three new copies of our Application to Drill the Chevron State 1-32. As mentioned in our conversation, the original permit was allowed to lapse while we were waiting for a BIA right-of-way for the gas line to the subject well. We expect the right-of-way approval any day and wish to resubmit the APD.

Thank you in advance for your prompt reissuance of the permit.

Sincerely,

J.L. Watson

JLW:mp

cc: Bureau of Land Management

Form OGC-1a

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

5. Lease Designation and Serial No.: ML-22052

6. If Indian, Allottee or Tribe Name: Ute Tribe

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. Type of Well: Oil Well [ ] Gas Well [X] Other — Single Zone [ ] Multiple Zone [ ]

7. Unit Agreement Name: Chevron State

8. Farm or Lease Name: 1-32

9. Well No.: 630

2. Name of Operator: Chevron U.S.A. Inc., Room 13097

10. Field and Pool, or Wildcat: Natural Buttes Field

3. Address of Operator: PO Box 599, Denver, CO 80201

11. Sec., T., R., M., or Blk. and Survey or Area: Sec. 32, T8S, R21E

4. Location of Well (Report location clearly and in accordance with any State requirements.*)
At surface: 1000' FNL, 1500' FWL
At proposed prod. zone: NENW

12. County or Parrish: Uintah 13. State: Utah

14. Distance in miles and direction from nearest town or post office*: +25 miles south and west from Vernal, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)	16. No. of acres in lease	17. No. of acres assigned to this well
1000'	480	320

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.	19. Proposed depth	20. Rotary or cable tools
3505'	7600' Wasatch	Rotary

21. Elevations (Show whether DF, RT, GR, etc.): GR: 4759'

22. Approx. date work will start*: June 15, 1991

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
26"	16"	P.E.	±80'	to surface
12¼"	9-5/8"	36#	±550'	to surface
7-7/8"	5½"	17#	±7600'	to surface

This 320 acre infill development well will be drilled to a depth of ±7600' and completed in the Wasatch Formation.

Attachments: Certified Plat
Drilling Program
Chevron Class III BOPE
Geologic Program
Multipoint Surface Use Plan
Completion procedure to be submitted by Sundry Notice.

RECEIVED
MAY 28 1991
DIVISION OF OIL GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed: J.S. Watson Title: Technical Assistant Date: 5/23/91

(This space for Federal or State office use)

Permit No. 43-047-30032 Approval Date: APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

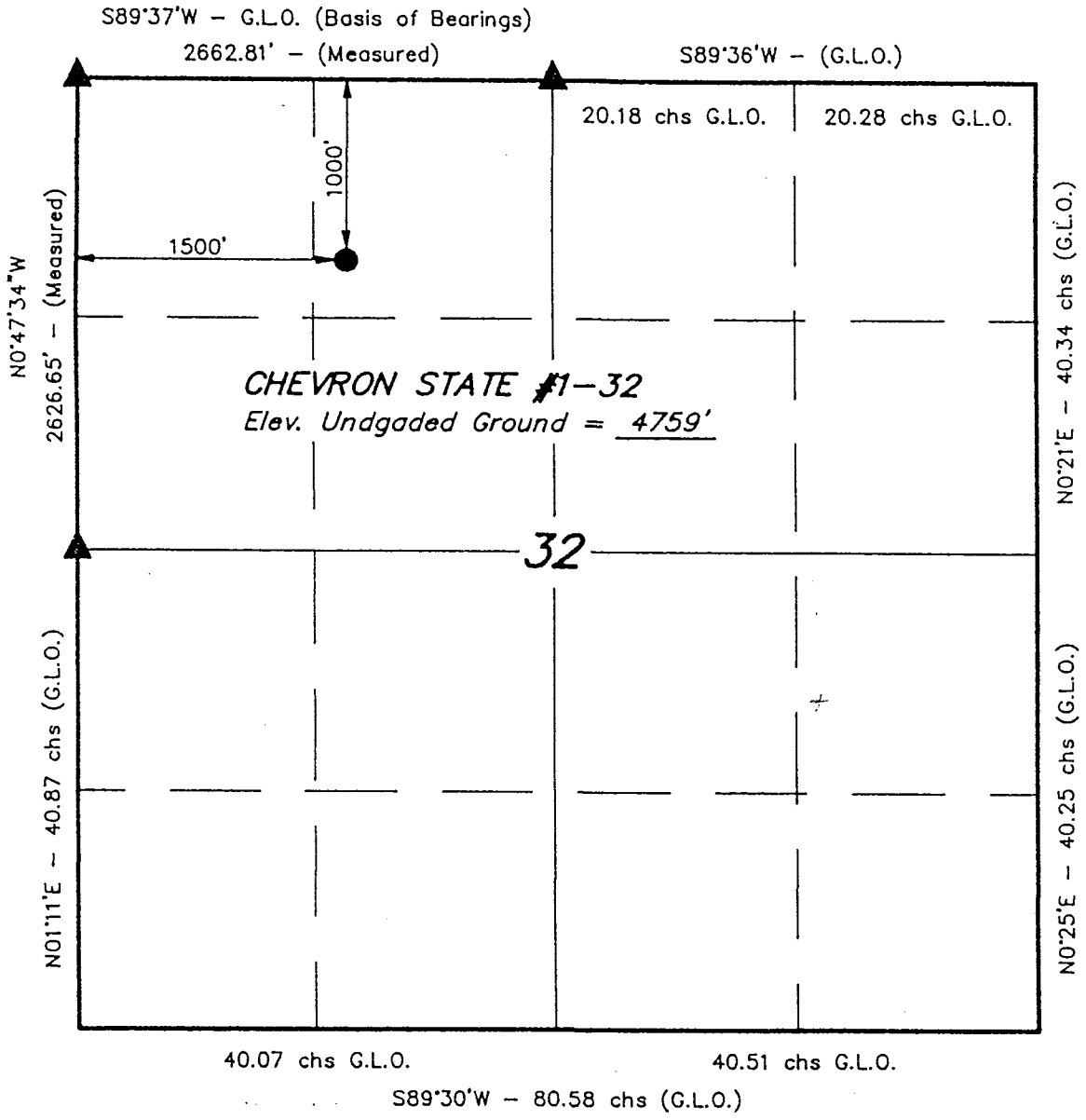
Approved by: Title: Date:

Conditions of approval, if any:

DATE: 6-3-91
BY: J.R. Matthews
WELL SPACING: 173-1

*See Instructions On Reverse Side

T8S, R21E, S.L.B.&M.



▲ = SECTION CORNERS LOCATED. Brass Caps.

CHEVRON U.S.A. INC.

Well Location, CHEVRON STATE #1-32, located as shown in the NE 1/4 NW 1/4 of Section 32, T8S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NW CORNER OF SECTION 32, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHICAL MAP). PUBLISHED BY THE UNITED STATES DERARTMENT OF THE INTERIOR. GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4753 FEET.

N

RECEIVED
MAY 28 1991
DIVISION OF OIL, GAS & MINING

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Kay

REGISTERED LAND SURVEYOR
REGISTRATION NO. 5709
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
P. O. BOX 1768 – 86 SOUTH – 200 EAST
VERNAL, UTAH – 84078

SCALE 1" = 1000'	DATE 9-27-89
PARTY R.L.K. B.M. T.D.H.	REFERENCES G.L.O. PLAT
WEATHER COOL, CLEAR	FILE CHEVRON U.S.A. INC.

DRILLING PROGRAM

Field Natural Buttes Field Well Chevron State 1-32 Exp/Dev Dev

Location NW/4 Sec. 32, T8S, R21E, Uintah County, Utah

Drill X Deepen _____ Elevations: GL 4759' KB 4770' (Est)

~~Directional~~/Straight Hole: Proposed Measured TD 7600' TVD 7600'
~~KOP~~ _____ ~~Build~~ _____ ~~Max. Angle~~ _____ ~~Avg. Angle~~ _____
~~Target Location~~ _____ ~~Bearing from Surface~~ _____

1. Conductor Hole

Hole Size 26" Proposed Depth 80' Casing Size, Weight & Grade 16" P.E.

2. Surface Hole

Hole Size 12¼" Proposed Depth 550' BOPE N/A

Mud Program:	Type	MW	FV	WL	Other
	FW/Gel	8.6-8.8	28-35	N/C	

Potential Hazards: None
Electric Logging Program: None
Core/DST Program: None

Casing Program:

Size	Grade	Weight	Thread	Section Length
9-5/8"	K-55	36#	LTC	550'

Cement Program: Lead Slurry 100 sxs "H" + 16% gel + 3% salt @ 12.6 ppg
Tail Slurry 200 sxs "h" + 2% $CACl_2$ @ 16.4 ppg

WOC Time 12 hrs. Casing Test 1000 psi Shoe test MWE 10.0 ppg

3. Intermediate Hole N/A

Hole Size _____ Proposed Depth _____ BOPE _____

Mud Program:	Type	MW	FV	WL	Other

Potential Hazards: _____
Electric Logging Program: _____
Core/DST Program: _____

Casing Program:

Size	Grade	Weight	Thread	Section Length

Cement Program: Lead Slurry _____
Tail Slurry _____

WOC Time _____ hrs. Casing Test _____ psi Shoe test MWE _____ ppg

Test to 200 psi - low
2100 psi - high

4. Oil String/Liner Hole

Hole Size 7-7/8" Proposed Depth 7600' BOPE Chevron Class III 3M# system

Mud Program:	Type	MW	FV	WL	Other
	FW/Gel	8.6-8.8	28-32	N/C	550'-4000'
	FWG/Dispersed	8.8-9.2	34-38	<10cc	4000' - T.D.

Potential Hazards: _____
Electric Logging Program: Laterlog - BHC sonic - GR - SP Cel; NGT-LDT-CNL-GR-Cal
Core/DST Program: None (F/T.D. to Sfc. csg.)
Casing Program:

Size	Grade	Weight	Thread	Section Length
5½"	K-55	17#	LTC	7600'-0'

Cement Program: Lead Slurry 'H' + 16% gel 3% salt 12.6 ppg (5400' to surf)
Tail Slurry 'H' + additives @ 16.4 ppg (Tailored F/ Temp & Depth)
(7600'-5400')
WOC Time 24 hrs. Casing Test 1500 psi

5. Auxiliary Equipment

Mud Logging Unit @	1000'	Rotating Head @	N/A
Geolograph @	Spud	Degasser @	N/A
Visulogger @	N/A	Desilter @	Spud
Adj. Choke @	@ N/U F/ BOPE	Centrifuge @	N/A
PVT & Flowmeter @	Spud	Mud Cleaner @	N/A
Trip Tank @	Spud	H_2S Safety Equip. @	N/A

Other: Drill Pipe Float, Full Opening Safety Valve with Crossovers to Match Drill Collars & Drill Pipe, Inside BOP Valve, Upper and Lower Kelly Cocks

6. Drill String Design

Surface Hole:
BHA Bit, Float, 3-8" DC's & 6-3/4: DC's
Drill Pipe 4½" API premium designed f/100,000# overpull per API RP-7G

Intermediate Hole: N/A
BHA _____
Drill Pipe _____

Oil String/Liner Hole:
BHA Bit Float, sufficient 6-3/4" DC's f/ 50,000 available bit weight
Drill Pipe 4½" API premium designed f/100,000# overpull per API RP-7G

7. Other

Inspect BHA after ± 200 rotating hours.
In "straight" holes run inclination surveys every 500 feet.
Gyro Surveys N/A
Check drilling breaks for flow below 4000' feet.
Fill drill pipe every 30 stds when running float.

8. General Remarks

Attached

9. Geologic Program

Attached

Prepared By _____ Date _____ Drilling Superintendent _____ Date _____

DRILLING PROGRAM ATTACHMENT

GENERAL REMARKS

1. Applicable Federal and State Regulations will be adhered to during the drilling of this well.

2. The drilling rig is to be level and the kelly centered over the hole before drilling operations commence. Check periodically during the drilling of the well to insure the rig stays level.

3. Prior to spud insure all toolpushers, drillers and crews are thoroughly familiar with and understand the Chevron procedure for handling well kicks.

   In H_2S environments Chevron's contingency plan for your location is to be read, understood and adhered to. All personnel are to be thoroughly familiar with the use of air packs, the air supply system, locations of air packs and what to do in the event of sour gas to surface.

4. Test BOPE before drilling out and every 15 days thereafter. Perform low pressure test (200 psi) and high pressure test. High pressure test should be 70% of BOPE working pressure or 70% of burst of last casing string, whichever is less. Record BOP tests on Tour Reports. Notify applicable Federal and State Regulatory Agencies 24 hours in advance of BOPE tests and record notification and names on Tour Reports.

5. Do not reuse ring gaskets. Replace with new Rx or Bx ring gaskets.

6. Separate full opening safety valves and inside BOP's are required for each size drill pipe in use. Test weekly with BOPE.

7. Run full open valve below kelly that can be run in the hole if necessary. Do not use this valve as a mud saver sub.

8. BOP controls are to remain in the open position during drilling operations.

9. Hold pit drills for each crew at least once every seven days and record on Tour Reports.

10. On trips fill the annulus before hydrostatic pressure drops 75 psi or every 5 stds of drill pipe, whichever is first. Use trip tanks to measure hole fill-up and monitor at all times.

11. Use drill pipe floats at all times unless your supervisor instructs otherwise.

12. Have wear ring installed in wellhead before tripping or rotating. Remember to remove wear ring before running casing or when testing BOPE.

13. Casing rams are to be installed and bonnets tested on last trip out before running casing.

14. Run pilot and thickening time tests with rig mixing water for all cement slurries prior to cementing operations.

15. Casing should be tested to 1,500 psi or 0.2 psi/ft., whichever is greater, prior to drilling out and recorded on Tour Reports. Discuss the test pressure with your supervisor and reference DM-49 before testing.

16. Drill out slick beneath each casing string. Drill deep enough to bury stabilization to be picked up.

17. Do not drill with hardbanded pipe inside of casing.

18. Do not run full gauge stabilizers. Run stabilizers 1/16" to 1/8" undergauge.

19. When necessary to work pipe, keep pipe moving up and down. Rotating alone is not considered sufficient.

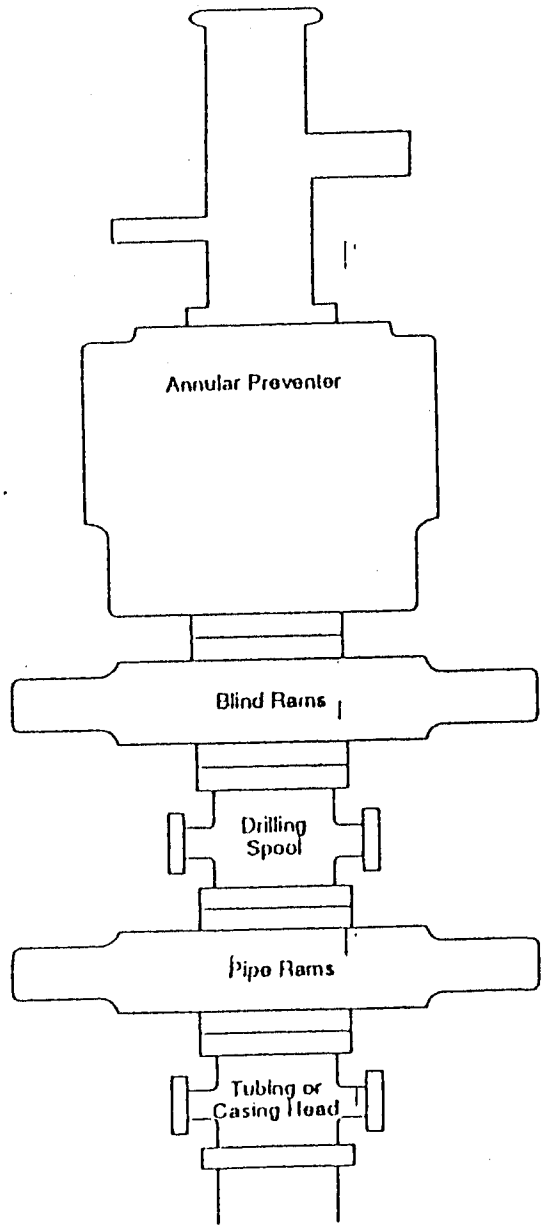
20. Install and test full lubricator on all logging runs unless instructed otherwise by supervisor.

21. Fully describe damaged or lost equipment on Tour Reports.

E. CLASS III BLOWOUT PREVENTER STACK:

The Class III preventer stack is designed for drilling or workover operations. It is composed of a single hydraulically operated annular preventer on top, then a blind ram preventer, a drilling spool, and a single pipe ram preventer on bottom. The choke and kill lines are installed onto the drilling spool and must have a minimum internal diameter of 2". All side outlets on the preventers or drilling spool must be flanged, studded, or clamped. An emergency kill line may be installed on the wellhead. A double ram preventer should only be used when space limitations make it necessary to remove the drilling spool. In these instances, the choke manifold should be connected to a flanged outlet between the preventer rams only. In this hookup, the pipe rams are considered master rams only, and cannot be used to routinely circulate out a kick. The Class III blowout preventer stack is shown to the right in Figure 11J.4.

Figure 11J.4
Class III Blowout Preventer Stack



D. TYPE "B" KILL LINE — CLASS III, IV, AND V WELLS

The type B kill line described below in Figure 11J.11 is the minimum recommended hookup for installation on all Class III, Class IV and Class V wells. Specific design features of the type B kill line include:

1. The preferred kill line connection to the well is at the drilling spool, however, a preventer side outlet may be used when space restrictions exclude the use of a drilling spool. In all cases, the kill line must be installed below the uppermost blind rams so the well can be pumped into with no pipe in the hole.

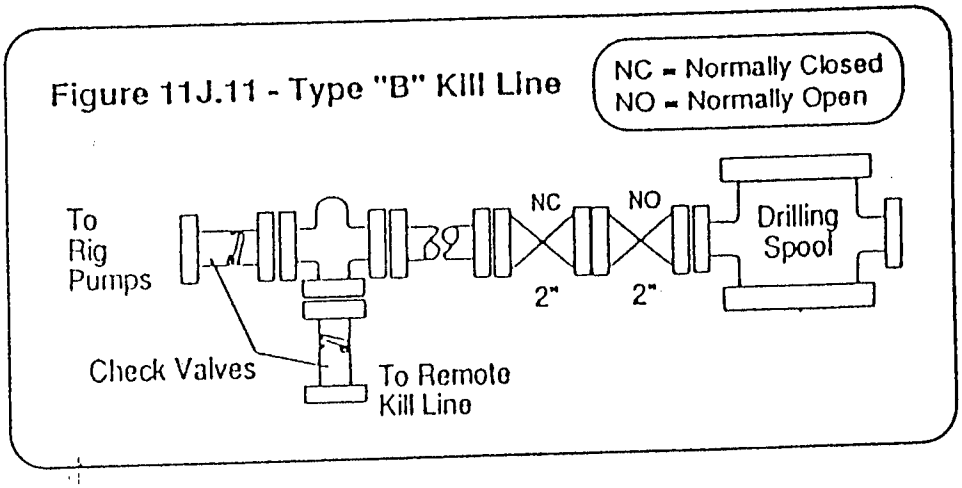
2 The arrangement includes two - 2" (nominal) gate valves installed at the drilling spool and an upstream fluid cross. The outside valve may be hydraulically remote controlled.

3. Two pump-in lines should be attached to the fluid cross. The **primary kill line** should be routed to the rig standpipe where it can be manifolded to the rig pumps. The **remote kill line** should be run to a safe location away from the rig or to the rig cementing unit. The remote kill line should have a loose end connection for rigging-up a high pressure pumping unit.

4. Both the primary kill line and the remote kill line must include a 2" check valve which is in working condition while drilling. If a check valve is crippled for testing purposes, the flapper or ball must be re-installed and tested before drilling resumes.

5. The primary kill line must include a pressure gauge which can display the pump-in pressure on the rig floor.

6. Any lines which are installed at the wellhead are designated as **"emergency kill lines"** and should only be used if the primary and remote kill lines are inoperable.



D. CLASS III CHOKE MANIFOLD

The Class III choke manifold is suitable for Class III workovers and drilling operations. The Standard Class III choke manifold is shown in Figure 11J.8 below. Specific design features of the Class III manifold include:

1. The manifold is attached to a drilling spool or the top ram preventer side outlet.

2. The minimun internal diameter is 2" (nominal) for outlets, flanges, valves and lines.

3. Includes two steel gate valves in the choke line at the drilling spool outlet. The inside choke line valve may be remotely controlled (HCR).

4. Includes two manually adjustable chokes which are installed on both side of the manifold cross. Steel isolation gate valves are installed between both chokes and the cross, and also downstream of both chokes.

5. Includes a blooey line which runs straight through the cross and is isolated by a steel gate valve.

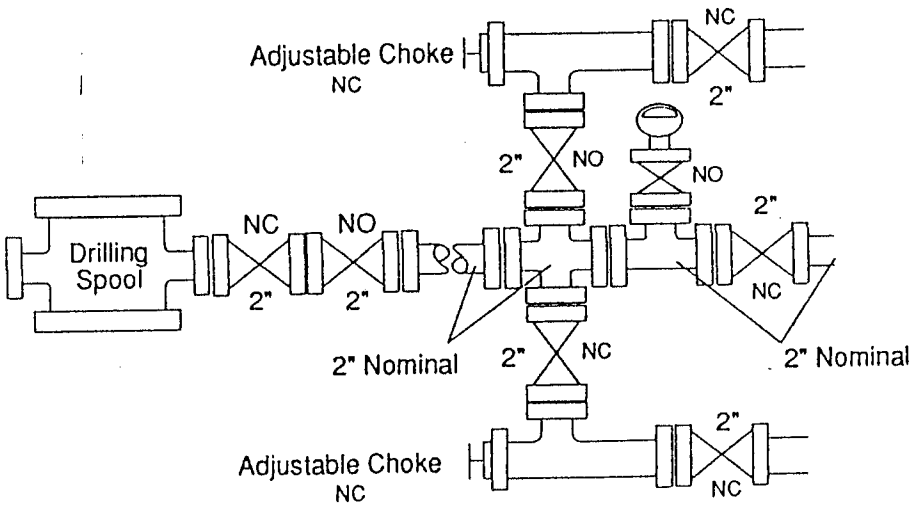
6. Includes a valve isolated pressure gauge suitable for drilling service which can display the casing pressure within view of the choke operator.

7. Returns through the choke manifold must be divertible through a mud-gas seperator and then be routed to either the shale shaker or the reserve pit through a buffer tank or manifold arrangement.

8. If the choke manifold is remote from the wellhead, a third master valve should be installed immediately upstream of the manifold cross.

Figure 11J.8 - Class III Choke Manifold

NC = Normally Closed
NO = Normally Open



9. BOP CLOSING EQUIPMENT

A. General Requirements

The accumulator system and pumps must be of adequate capacity for the BOP stack in use. The system must hold pressure without leaks or excessive pumping and should maintain enough pressure capacity reserve to close the preventers with the recharging pumps turned off. These pumps are designed to charge the accumulator within a reasonable time period and maintain this charge during preventer operations.

Chevron's design base for surface accumulator capacity is governed by MMS regulation, Order 30 CFR Part 250.56 (d), which states that all blowout preventer systems shall be equipped with:

> **Minerals Management Service Sizing Guidelines**
>
> "A hydraulic actuating system that provides sufficient accumulator capacity to supply 1.5 times the volume necessary to close and hold closed all BOP equipment units with a minimum (remaining) pressure of 200 psi (1,400 kPa) above the precharge pressure without assistance from the charging system. An accumulator backup system which shall be automatic, supplied by a power source independent from the power source to the primary accumulator charging system, and possess sufficient capacity to close all blowout preventers and hold them closed.

The above stated MMS regulation is equivalent to sizing a 3000 psi accumulator with enough capacity to close the annular and all ram preventers one time, with the pumps out of service, while maintaining a minimum remaining operating pressure of 1500 psi. This equivalence is shown on the next page.

This demanding base using a 50% safety factor is recommended by Chevron because it provides complete replenishment of fluid in "close" lines at the time preventers are activated. The safety factor also allows for loss of fluid capacity due to "interflow" in the four-way valves and possible loss through the packing of the preventer units. A less demanding base is not recommended, but may be used with Class II stacks, provided prior management approval has been obtained. Requirements vary with the size of preventers and are principally controlled by the annular preventer requirements.

Opening/closing volume tables provide the necessary information to calculate individual requirements as to accumulator size needed. Hydraulically operated choke and kill line valves require added fluid capacity. It must be remembered that only one-half to two-thirds of the accumulator bottle is liquid filled when fully charged, depending on the unit.

GEOLOGIC PROGRAM

Field/Area Natural Buttes-North Expl/Dev Development

Well Name _____

Location: Sec 32 TWP 8S Range 21E
Co Uintah State Utah
Surface 1000' FNL , 1500' FWL
Bottom Hole same as surface

Elevation: GL estimated 4755 Surveyed _____
KB estimated 4767 Surveyed _____

Total Depth 7600 Fm at TD Wasatch

Objectives: Primary Wasatch
Secondary Green River _____ _____

Coring:	Formation	Estimated Depth	Amount
Interval/on show	None		
Interval/on show			
Interval/on show			
Interval/on show			
Interval/on show			

Drill Stem Testing None

Mud Logging 1000' to TD

Electric logging:	Surface	Intermediate	Total Depth
1) DIL-SP			
2) DIL-MSFL-SP			
3) BHC w/GR, Cal.			7600 - Sur Csg
4) LDT-CNL w/GR, Cal.			7600 - Sur Csg
5) FDC-CNL w/GR, Cal.			
6) Dipmeter			
7) Velocity survey			
8) RFT			
9) Dual Laterolog w/GR,SP			7600 - Sur Csg
10) NGT			7600 - Sur Csg
11)			

All runs from TD to either base of surface casing or overlap with previous log run unless otherwise noted.

GEOLOGIC PROGRAM (Continued)

Tops:

Formation	Estimated Depth, datum	Sample Depth, datum	Log Depth, datum
Uinta	Surface		
Green River	1942		
G-1	5127		
Wasatch	5925		
CP 4	6228		
CP 7	6378		
CP 12	6774		
CP 15	6950		
CP 17	7030		
CP 18	7114		
CP 19	7282		

Correlation Wells:

		Correlative Zones with Subject Well Fm	Interval	
1)	Conoco	Green River	1750	[illegible]
	Conoco State 32-21	G-1	4970	[illegible]
	32-8S-21E	Wasatch	5742	
		CP 12	6592	[illegible]
2)	Belco Petroleum	Green River	1988	[illegible]
	No Duck Creek 60-29	G-1	5150	[illegible]
	29-8S-21E	Wasatch	5956	
		CP 12	6800	[illegible]

DIVISION OF INTEREST:

Working Interest Partners:

Chevron	100 %	_____	____ %	_____	____ %
_____	____ %	_____	____ %	_____	____ %

Others Receiving Data:

_____	_____	_____	_____
_____	_____	_____	_____

REMARKS:

Prepared by Bob Rector Date 6-22-89

Reviewed by _____ Date _____

Formation Evaluation Analyst

Approved _____ Date _____

CHEVRON U.S.A. INC.
CHEVRON STATE 1-32
SEC. 32, T8S, R21E
UINTAH COUNTY, UTAH
MULTIPOINT SURFACE USE PLAN

1. EXISTING ROADS

A. See Topo Maps A and B. We do not plan to change, alter or improve upon any existing state or county roads.

B. From Ouray, Utah, go south across the Green River, then travel east approximately 3.3 miles, as shown on Map A. Take right fork in road approximately 1.4 mile to proposed access road.

2. PLANNED ACCESS ROADS

From the entrance the proposed access road is to go approximately 800' south. Existing and planned access roads will be maintained in accordance with BIA requirements. See Topo Map B.

A. Width: Maximum width 30' with an 18' travel area.
B. Maximum Grade: No greater than 8%.
C. Turnouts: None, avoid blind corners.
D. Drainage Design: Roads to be placed and constructed so that minimal drainage alterations will be made. Water will be diverted around well pad as necessary.
E. No major cuts and fills.
F. Surfacing Materials: Gravel if necessary (see item 6-A)
G. Other: No gates, cattleguards or fence cuts.

3. LOCATION OF EXISTING WELLS

Existing wells in the project area are shown on Exhibit D.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. See Exhibit C.

B. Disturbed areas no longer needed for operations will be graded back to as near original state as possible. Drainage channels will be returned to original state and the areas will be reseeded as prescribed by the BIA.

C. A blooie pit 8' x 10' x 5' deep will be constructed 150' from the center hole. A line will be placed on the surface from the center hole to the burn pit. The pit will be fenced on four sides to protect livestock.

5. LOCATION AND TYPE OF WATER SUPPLY

A. Water supplied to the location will be hauled by truck on existing roads in the area from a point in Sec 13, T7S, R23E, in the Ne1/4SE1/4. This water source has been permitted with the Utah State Engineer.

6. SOURCE OF CONSTRUCTION MATERIALS

A. All land is Ute Tribal land. All gravel, cement, etc., needed on the access road and location will come commercially from the Ouray, Utah area. Access road needed is shown on Topo Map B.

7. METHODS FOR HANDLING WASTE DISPOSAL

A. Cuttings will be settled out in the reserve pit. The reserve pit will be unlined. It will be fenced with a wire mesh fence, topped with at least one strand of barbed wire.

B. Drilling fluids will be retained in reserve tanks utilizing maximum recirculation during drilling operations. Following drilling, the liquid waste will be evaporated and the remainder worked into the deep subsoil of the pit, and the pit filled in and returned to natural grade.

C. In the event fluids are produced, any oil will be retained until sold in tankage and any water produced will be retained until its quality is determined. The quality and quantity of water produced will then determine the necessary disposal procedure.

D. Sewage will be disposed of in a 1,000 gallon fiber glass insulated holding tank, which is to be placed in the vicinity of the trailers on the well location. Arrangements have been made for the sewage to be transported from the wellsite to the City of Vernal, Utah, for disposal in the city disposal system. The sewage will be hauled by an authorized hauling firm.

E. Trash will be contained in a portable metal container and hauled periodically to an approved disposal dump.

F. After the rig has moved from the wellsite, all waste material will be removed to an approved disposal dump.

8. ANCILLARY FACILITIES

Because of the accessibility to good roads and relatively close housing, we anticipate no need for ancillary facilities with the exception of two trailers to be located on the drilling site.

9. WELLSITE LAYOUT

A. Four to six inched of topsoil will be removed from the location and stockpiled. Location of mud tanks, reserve, burn and trash pits, pipe racks, living facilities and soil stockpiles will be located as shown on Exhibit C.

B. Pits will not be lined.

C. Access to the well pad will be as indicated in Exhibit C.

10. PLANS FOR RESTORATION OF SURFACE

A. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum. Any rock encountered in excavation will be disposed of beneath backfill to return surface to its present appearance and provide soil for seed growth.

B. The topsoil will be evenly distributed over the disturbed areas. Reseeding will be performed as directed by the BIA.

C. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

D. Any oil accumulation on the pit will be removed, burned or overhead flagged as dictated by then existing conditions.

E. The well will be completed during 1989. Rehabilitation will commence following completion of the well. If the wellsite is to be abandoned, all disturbed areas will be recontoured to the natural contour as is possible.

11. SURFACE OWNERSHIP

A. The wellsite and access road wil be constructed on BIA owned surfaces. The operator shall contact the State Division of Oil, Gas & Mining office at (801) 538-5340 and the BIA office at (801) 722-2406 between 24 and 48 hours prior to construction activities.

12. OTHER INFORMATION

A. The well is located on a flat bench with soils of tan clay, gravel and some sand. Vegetation consists of low sage, prickly pear and bunchgrass. Wildlife includes deer antelope, rabbits and other burrowing animals.

B. Surface use activities other than oil well facilities consists of livestock grazing.

C. There are no water bodies or occupied dwellings near the wellsite. Archeological, historical and cultural sites may be determined during the field inspection. An archeological survey has been conducted on the disturbed areas and a copy of the report sent to the BIA.

13. COMPANY REPRESENTATIVE

Mr. D. F. Forsgren
P. O. Box 599
Denver, Co. 80201
(303) 930-3439

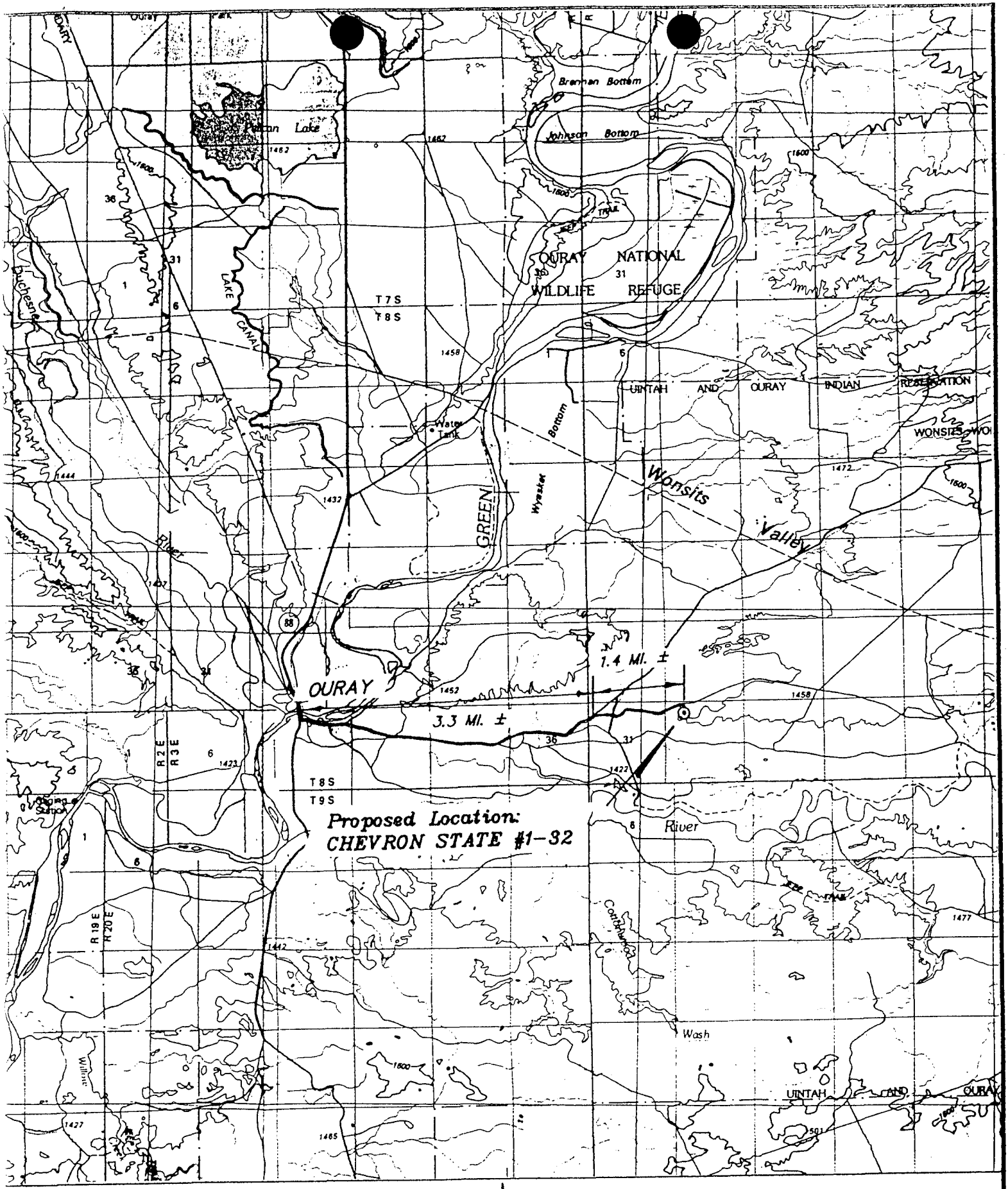
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Chevron U.S.A. Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

10-24-89
Date

D. F. Forsgren
Environment, Safety, Fire &
Health Coordinator

JLW

Map A - Proposed Location
Map B - Proposed Location and Access Road
Exhibit C - Location Layout and Cut and Fill
Exhibit D - Existing Wells

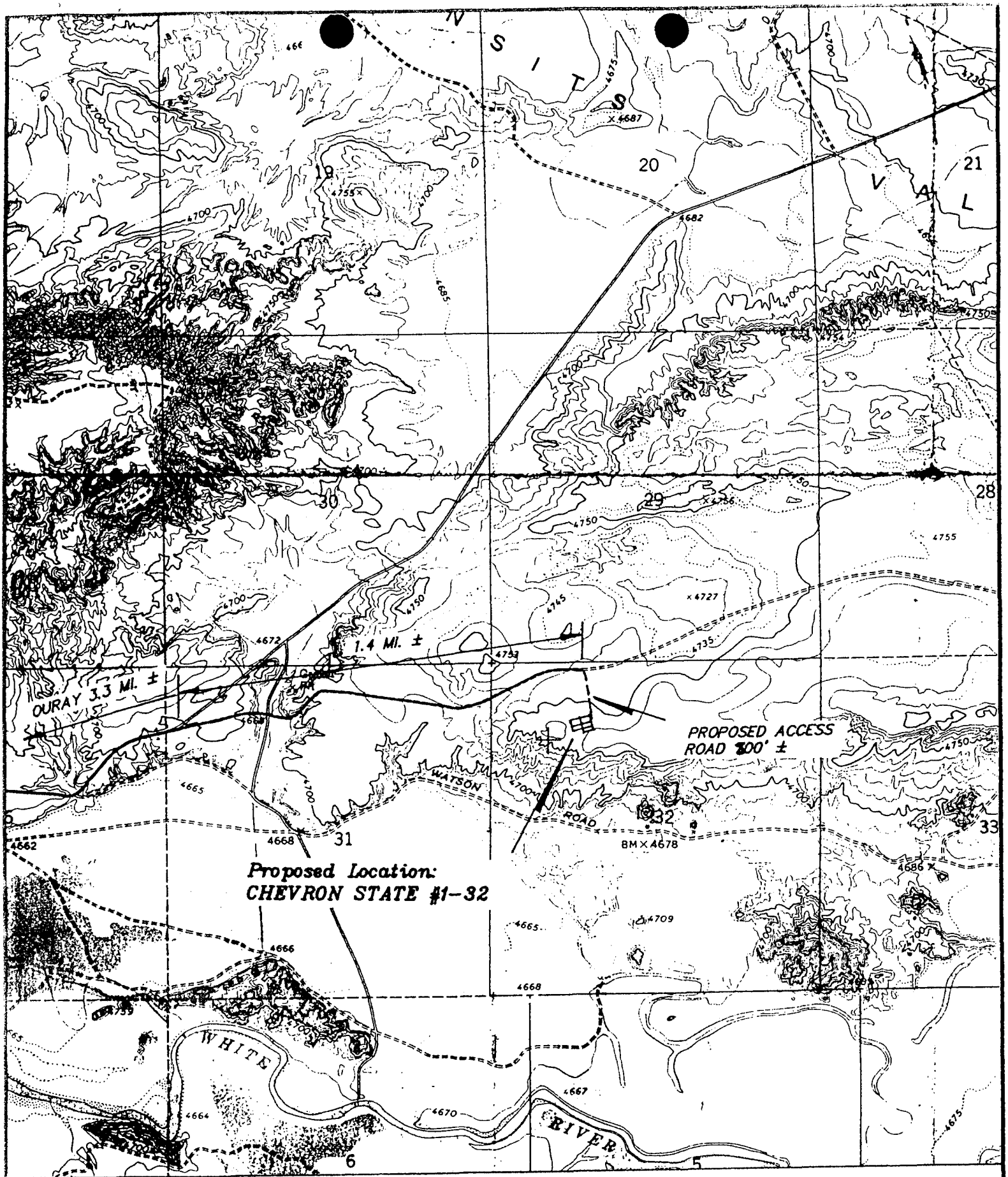


TOPOGRAPHIC
MAP "A"

CHEVRON U.S.A. INC.

CHEVRON STATE #1-32
SECTION 32, T8S, R21E, U.S.B.&M.

DATE: 9-28-89



TOPOGRAPHIC MAP "B"

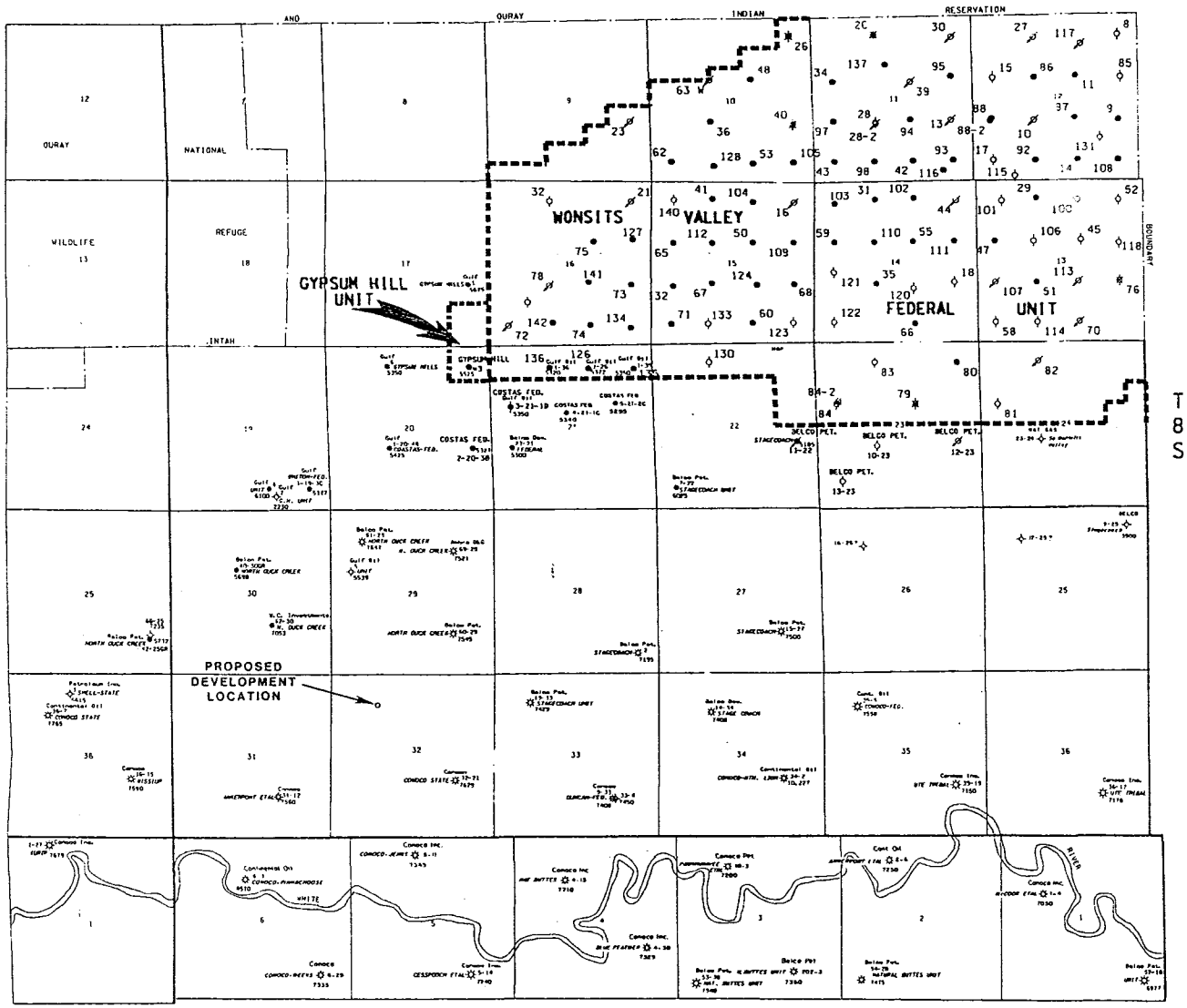
SCALE: 1" = 2000'

N

CHEVRON U.S.A. INC.

CHEVRON STATE #1-32
SECTION 32, T8S, R21E, U.S.B.&M.

DATE: 9-28-89



NOTES:
NO MEANS " NEVER DRILLED "
INDICATES " PLUGGED & ABANDONED "
INDICATES " INJECTOR "
INDICATES " TEMPORARILY ABANDONED "
INDICATES " PRODUCER "

Revisions

Chevron U.S.A. Inc.
Northern Region - Exploration, Land and Production

NATURAL BUTTES-NORTH

UINTAH COUNTY, UTAH

EXHIBIT D

SCALE	DATE	Author:	MAP NO.	011-7332
1" = 2000'	7-29-86	Dr. By: RAB	FILE NO.	
		Ch. By:		

CAD | BASE No 013 267 | 01 | 01 | OVL No

013267

BEFORE THE BOARD OF OIL, GAS AND MINING

DIVISION OF OIL, GAS AND MINING

DEPARTMENT OF NATURAL RESOURCES

IN AND FOR THE STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF CONTINENTAL OIL COMPANY FOR AN ORDER ESTABLISHING TEMPORARY DRILLING UNITS FOR CERTAIN LANDS SITUATE IN UINTAH COUNTY, UTAH	O R D E R Cause No. 173-1

Pursuant to due notice by the Board of Oil, Gas and Mining dated February 3, 1978, this cause came on regularly for hearing before the Board of Oil, Gas And Mining, Department of Natural Resources of the State of Utah at 10:00 A.M., on Wednesday, February 22, 1978, in the Executive Conference Room of the Holiday Inn, 1659 West North Temple, Salt Lake City, Utah. The following Board members were present:

I. Daniel Stewart, Chairman, Presiding

Charles R. Henderson

C. Ray Juvelin

Also present:

Cleon B. Feight, Director & Secretary

Appearances were made as follows:

For Continental Oil Company: Sheridan L. McGarry, Esq.

U.S.G.S.: William Martins

Belco Petroleum Corporation: John Dunwald

Gas Producing Enterprises, Inc.: Gene Hoeflin

NOW, THEREFORE, the Board having fully considered all motions, the testimony adduced, and the Exhibits received at said hearing, and being fully advised in the premises, now makes and enters the following

FINDINGS

1. That due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and

173-1

manner and within the time required by law and the Rules and Regulations of the Division.

2. That the Division has jurisdiction over all matters covered by said notices and over all parties interested therein and has the power and authority to make and promulgate the Order hereinafter set forth.

3. That one well within a 320 acre drilling unit will efficiently and economically drain the recoverable gas and associated hydrocarbons from the hereinafter described lands, and that a 320 acre drilling unit is not larger than the maximum area that can be efficiently and economically drained by one well.

4. That in order to prevent waste of gas and associated hydrocarbons, to avoid drilling unnecessary wells and to protect correlative rights, the interval to be spaced should include the Wasatch-Mesaverde formations defined as that interval below the stratigraphic equivalent of 4,772 feet down to and including the stratigraphic equivalent of 9,740 feet, as shown on the induction electrical log of the Chapita Wells Unit Well No. 5 located 1908 feet from the south line and 2360 feet from the west line of the NE¼SW¼ of Sec. 22, T. 9 S., R. 22 E., S.L.M., Uintah County, Utah, underlying the lands described hereinafter.

5. That horizontal drilling units should be established comprising each governmental one-half section, or governmental lots corresponding thereto, i.e., 320 acres, more or less, for the interval described above in paragraph 4 covering the lands hereinafter described.

6. That the location for each permitted well within the north half of each section should be in the center of the NW¼, and that the location for each permitted well within the south half of each section should be in the center of the SE¼, with a tolerance of 660 feet in any direction, and with not less than 2640 feet between wells.

7. That the establishment of said horizontal 320 acre drilling units should be for a temporary period of one year from entry

of this Order.

Pursuant to the foregoing Findings of Fact, the Board hereby makes the following

O R D E R

1. The lands in Uintah County, State of Utah, known and believed to be underlain by gas and associated hydrocarbons that can be produced from the designated interval of the Wasatch-Mesaverde formations are as follows:

T. 8 S., R. 20 E., S.L.M.
Sec. 33: All
Sec. 34: All
Sec. 35: All
Sec. 36: All

T. 9 S., R. 20 E., S.L.M.
Sec. 1: All
Sec. 2: All
Sec. 3: All
Sec. 4: All

T. 8 S., R. 21 E., S.L.M.
Sec. 29: All
Sec. 30: All
Sec. 31: All
Sec. 32: All
Sec. 33: All
Sec. 34: All
Sec. 35: All
Sec. 36: All

T. 9 S., R. 21 E., S.L.M.
Sec. 1: All
Sec. 2: N½
Sec. 3: N½
Sec. 4: All
Sec. 5: All
Sec. 6: All

T. 8 S., R. 22 E., S.L.M.
Sec. 30: All
Sec. 31: All

T. 9 S., R. 22 E., S.L.M.
Sec. 4: All
Sec. 5: All
Sec. 6: All

2. The 320 horizontal drilling units be and the same are hereby established covering the lands described above in paragraph 1 for the development and production of gas and associated hydrocarbons from the Wasatch-Mesaverde formation is hereby defined as that

interval below the stratigraphic equivalent of 4,772 feet down to and including the stratigraphic equivalent of 9,740 feet, as shown on the induction electrical log of the Chapita Wells Unit Well No.5 located 1908 feet from the south line and 2360 feet from the west line of the NE¼SW¼ of Sec. 22, T. 9 S., R. 22 E., S.L.M., Uintah County, Utah.

3. That the location for each permitted well within the north half of each section shall be in the center of the NW¼, and that the location for each permitted well within the south half of each section shall be in the center of the SE¼, with a tolerance of 660 feet in any direction and with not less than 2640 feet between wells.

4. That the establishment of said horizontal 320 acre drilling units shall be for a temporary period of one year from the entry of this order.

IT IS FURTHER ORDERED:

A. That during the said one-year temporary period, the Division, on its own motion, may call a hearing to hear any new evidence as to any matter herein set forth.

B. That during the said temporary one-year period, any interested party may file an application requesting a hearing to present any new evidence concerning any matter herein set forth.

C. That the Division desires ultimate uniform well spacing within the area spaced herein.

C. That the Division retains continuing jurisdiction over all matters covered by this Order and all other applicable orders and over all parties affected thereby and particularly that the Division retains and reserves continuing jurisdiction to make further orders as it may deem appropriate and as authorized by statute and applicable regulations.

ENTERED this 22 day of February, 1978.

BOARD OF OIL, GAS AND MINING

I.Daniel Stewart, Chairman

Charles R. Henderson

C. Ray Juvelin

OPERATOR Chevron U.S.A. Inc N. 0210 DATE 5-31-91

WELL NAME Chevron State 1-32

SEC NENW 32 T 8S R 21E COUNTY Uintah

43-047-30034
API NUMBER

State (3)
TYPE OF LEASE

CHECK OFF:

PLAT ☑ BOND ☑ NEAREST WELL ☑

LEASE ☑ FIELD SLBM ☑ POTASH OR OIL SHALE ☑

PROCESSING COMMENTS:

falls within guidelines of Cause 173-1.
Water Permit
Onsite 6-3-91 / no onsite needed per Brad Hill
Needs approval from BIA for access rights.

APPROVAL LETTER:

SPACING: ☑ R615-2-3 N/A UNIT ☐ R615-3-2

☑ 173-1 10-22-78 CAUSE NO. & DATE ☐ R615-3-3

173-2, 4-25-79

STIPULATIONS:

CC: BIA

0218T.

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

June 3, 1991

Chevron U.S.A. Inc.
P. O. Box 599
Denver, Colorado 80201

Gentlemen:

Re: Chevron State 1-32 Well, 1000 feet from the North line, 1500 feet from the West line, NE NW, Section 32, Township 8 South, Range 21 East, Uintah County, Utah

Approval to drill the referenced well is hereby granted in accordance with the Order in Cause No. 173-1 dated February 22, 1978 and Cause No. 173-2 dated April 25, 1979.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification within 24 hours after drilling operations commence.

2. Submittal of Entity Action Form 6, within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.

3. Submittal of the Report of Water Encountered During Drilling, Form 7.

4. Prompt notification in the event it is necessary to plug and abandon the well. Notify R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, or J. L. Thompson, Lead Inspector, (Home) 298-9318.

5. Compliance with the requirements of Utah Admin. R.615-3-20, Gas Flaring or Venting.

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of Drinking Water/Sanitation, telephone (801) 538-6159.

7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-047-32034.

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
Bureau of Indian Affairs
J. L. Thompson
we14/1-10

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

December 3, 1992

Chevron U.S.A. Inc.
P.O. Box 599
Denver, Colorado 80201

Gentlemen:

Re: Chevron State 1-32, Sec. 32, T. 8S, R. 21E, Uintah County, Utah
API No. 43-047-32034

Due to excessive time delay in commencing drilling operations, approval to drill the subject well is hereby rescinded, effective immediately.

Please note that a new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley
Administrative Supervisor
Oil and Gas

DME/ldc
cc: R.J. Firth
Well file
WOI219